

Indiana House of Representatives

News and Information

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AUSTIN EXPLAINS VOTE ON HOUSE BILL 1569

INDIANAPOLIS – In the wake of the House Public Policy and Veterans Affairs Committee's vote on House Bill 1569, State Rep. Terri Austin (D-Anderson) issued the following statement:

On Monday (February 14), the House Public Policy and Veterans Affairs Committee heard testimony on HB 1569, which would authorize the installation of 2,500 slot machines at both Hoosier Park and Indiana Downs.

I have never faltered in my support for Hoosier Park and legislation to allow alternative gaming at the facility. I have expressed my position many times publicly. Like you, I want to see Hoosier Park stay strong and vibrant in our community, and to see the horse racing industry thrive as a part of our economy.

You may be surprised to learn that I voted against HB 1569. I believe the bill is fundamentally flawed and needs significant changes if it is to have a chance of making it out of the House of Representatives this session.

The bill, in its current form, puts the alternative gaming enterprise and Hoosier Park at risk by requiring a public bidding process for the license and rights to install slot machines. Any entity, whether Indiana-based or not, could submit a bid and be permitted to set up shop at Hoosier Park, if they were awarded the contract.

In effect, this forces Hoosier Park to partner with an unknown private enterprise and makes casino gaming more important than the horse racing industry. In the event the winning bidder and Hoosier Park are not able to come to an acceptable agreement, no license would be issued and slot machines installed. I do not feel the public bidding process is in the best interest of our community, Hoosier Park and the horse-racing industry.

I have several other concerns about the bill which I raised during the committee hearing:

1. The bill treats the riverboats and the race tracks differently in terms of the state wagering tax. Riverboats pay approximately 31.5 cents per dollar in wagering taxes, while the horse tracks will be expected to pay 35 cents per dollar.

2. The revenue sharing percentages that the riverboat communities receive is much greater than the horse track communities. This is not fair to Anderson and Madison County, or Shelbyville and Shelby County.

3. The winning "bidders" will each be required to pay an initial licensing fee of \$50 million at each track. This license will be granted for five years. None of this money will be allocated to the local communities that host the track. In addition, a renewal license will be required, in an "undetermined amount."

4. No hours of operation were specified in the bill. The casinos could operate 24/7, just like the riverboats.

Finally, this bill generates \$251 million in new revenue for the State of Indiana. The first \$100 million of the amount is to be designated to the Indiana Economic Development Corporation, the motor vehicle highway account, and the local road and street account. **I was disappointed that none of this revenue was earmarked to education, in spite of the most recent \$52 million in cuts that were announced and the additional cuts that are expected.**

I sincerely hope this bill can be brought back in a more acceptable form. I pledge to you that I will commit my time and energy working toward a better version of this bill to ensure its passage from the House of Representatives.

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